Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

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> DA 17-902 September 15, 2017

DOMESTIC SECTION 214 APPLICATION FILED FOR THE ACQUISITION OF CERTAIN ASSETS OF CLARITY TELECOM, LLC D/B/A VAST BROADBAND TO LONG LINES METRO, LLC

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 17-229

Comments Due: September 29, 2017 Reply Comments Due: October 6, 2017

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Clarity Telecom, LLC d/b/a Vast Broadband (Vast) and Long Lines Metro, LLC (Metro) (collectively, Applicants), pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.03 of the Commission's rules, requesting for consent to transfer certain assets from Vast to Metro. The Applicants consummated the transaction on June 30, 2017, without prior consent from the Commission. The Applicants consummated the transaction on June 30, 2017, without prior consent from the Commission.

Vast, a Delaware limited liability corporation, provided competitive local and long distance telecommunications services in Iowa and South Dakota. Vast provided domestic interstate and international services in certain communities in northwest Iowa and southeast South Dakota, with service areas mirroring that of the incumbent local exchange carrier (LEC), CenturyLink.

Metro, a Delaware limited liability corporation, provides competitive local and long distance services in Iowa and South Dakota. Metro's interexchange services are offered through resale arrangements with other carriers. Metro provides communications services throughout its services areas, and in the areas previously serviced by Vast and acquired by Metro over facilities acquired through the

¹ See 47 U.S.C. § 214; 47 CFR § 63.03. Applicants also filed applications for the transfer of authorizations associated with international services. Applicants filed a supplement to their application on September 11, 2017. Any action on this domestic Section 214 application is without prejudice to Commission action on other related, pending applications.

² Application at 2. On September 13, 2017, the Wireline Competition Bureau granted Applicants' request for Special Temporary Authority (STA) for a period of 60 days for authorization to continue to provide service pending approval of the application. Letter from Robin E. Tuttle, Counsel for Clarity Telecom, LLC d/b/a Vast Broadband and Long Lines Metro, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-229 (filed Sept. 11, 2017). A grant of the application would be without prejudice to any enforcement action by the Commission for noncompliance with the Act or the Commission's rules.

transaction. Metro is providing domestic interstate services in the northwest Iowa and southeast South Dakota communities previously served by Vast. Metro also provides local and long distance services in other parts of Iowa and South Dakota. Metro is ultimately held by Schurz Communications, Inc. (Schurz Communications), a U.S. entity. The following U.S. entities hold a ten percent or greater voting interest in Schurz Communications: Schurz Communications, Inc. Voting Trust Agreement (75.2 percent voting interest) and the Elizabeth Crockett Ray 1992 Exempt Family Trust For David C. Ray UTA (12.1 percent voting interest).³

Pursuant to the terms of the transaction, Metro owns substantially all of the assets, including customer accounts, of Vast used in the provision of local exchange telecommunications service in the relevant service areas and is providing local exchange and long distance services to customers in the service areas on substantially the same terms and conditions as previously provided by Vast. Vast no longer provides local exchange and long distance services within the relevant service areas. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under Section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.⁴

Domestic Section 214 Application Filed for the acquisition of assets of Clarity Telecom, LLC d/b/a Vast Broadband to Long Lines Metro, LLC., WC Docket No. 17-229 (filed Sept. 1, 2017).

GENERAL INFORMATION

The transfer of assets identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to Section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before September 29, 2017**, and reply comments **on or before October 6, 2017**. Pursuant to Section 63.52 of the Commission's rules, 47 CFR § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.

Pursuant to Section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents in this proceeding using the Commission's Electronic Comment Filing System (ECFS): http://apps.fcc.gov/ecfs/.

In addition, e-mail one copy of each pleading to each of the following:

1) Myrva Charles, Competition Policy Division, Wireline Competition Bureau, myrva.charles@fcc.gov;

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³ The following U.S. citizens are the trustees of the Schurz Communications, Inc. Voting Trust Agreement: Todd F. Schurz, Scott C. Schurz, and Franklin D. Schurz. The following U.S. citizen is the trustee of the Elizabeth Crockett Ray 1992 Exempt Family Trust For David C. Ray UTA: David C. Ray.

⁴ 47 CFR § 63.03(b)(2)(i).

- 2) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;
- 3) David Krech, Policy Division, International Bureau, <u>david.krech@fcc.gov</u>;
- 4) Sumita Mukhoty, Policy Division, International Bureau, sumita.mukhoty@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

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The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's ex parte rules.

For further information, please contact Myrva Charles at (202) 418-1506 or Dennis Johnson at (202) 418-0809.